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SUBJECT: AECOM RECEIVES RETURNED ASSETS

REF: A) KHARTOUM 535 B) KHARTOUM 781 C) KHARTOUM 210  
D) KHARTOUM 225

11. (SBU) SUMMARY: AECOM International Sudan (AIS), implementing partner for USAID's Office of Transition Initiatives (OTI), has received most of the assets taken by the Government of Sudan's (GOS) Humanitarian Affairs Commission (HAC) from PADCO in March. Overall, the asset handover went smoothly, with only a few items not returned, such as bookshelves and barrels of fuel. The asset return was stipulated in negotiations between the U.S. Special Envoy for Sudan and the GOS to address the expulsion of 13 international non-government organizations (NGOs), including a number of USAID implementing partners, following the International Criminal Court indictment of Sudanese President Omar Al-Bashir in March 2009 (Ref A). Although AIS has signed an implementing protocol with the Ministry of International Cooperation (MIC) (Ref A), the handover process showed the continued involvement of HAC in all assistance-related activities in northern Sudan. END SUMMARY.

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SEIZED ASSETS RETURNED  
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12. (SBU) For over four months, the Department of State, USAID, and USAID implementing partners have been pressing the GOS to return assets the latter seized from expelled organizations in March. After AECOM raised this issue in a July 26 meeting with MIC Undersecretary El Fatih Al Sadig, Mr. El Fatih coordinated with HAC Commissioner Hasabo Mohamed Abdelrahman to form a committee to oversee the handover process. The committee consists of six representatives from HAC, MIC, AIS, and the Joint Procedures Center, a GOS office charged with ensuring NGO compliance with Sudanese bureaucratic requirements. Dr. Mohammed Fadlallah from HAC is the chairperson. Once the committee was established in early August, the handover process moved quickly, with return of assets in all five offices in Khartoum and the Three Areas completed in two weeks.

13. (SBU) Handover of confiscated assets from PADCO's Khartoum office was completed on August 6. From August 11-17, the joint committee traveled to PADCO's offices in Damazin, Kurmuk, Kadugli, and Fula to complete handover in those locations. During the committee's visit to Damazin and Kurmuk, HAC/SSRRC (South Sudan Relief and Rehabilitation Commission) representatives expressed concerns about the composition of the state-level subcommittee that was set up under the MIC Implementation Protocol to oversee AIS activities. They also resisted the role of MIC in granting travel permits to AIS staff, maintaining that only HAC/SSRRC can perform this function. In Kadugli, the local HAC Commissioner resisted the return of any seized assets, claiming that they were in use by HAC/SSRRC for their activities. Eventually Dr. Fadlallah persuaded the Commissioner to return the assets. HAC/SSRRC also expressed the desire to be involved in the hiring of AIS local staff, which under the

Implementing Protocol with MIC is not required, although it was previously the practice when PADCO was registered through HAC.

14. (SBU) COMMENT. The return of confiscated assets is a significant step forward in the implementation of the US Special Envoy's agreement with the GOS regarding the expulsion of USAID partners. Now that AECOM has these assets, it will be able to proceed with program activities more quickly. The return also reduces the cost of the expulsions to USAID, which might otherwise have had to fund replacement of the seized items. However, the role of the HAC in each step of the handover process is worrisome. Despite AIS's registration with the MIC, HAC officials raised bureaucratic obstacles during the handover process and attempted to assert their authority over issues such as travel permits and recruiting. HAC and National Security continue to insist on "vetting" all proposed AIS expatriate staff, including staff who have never worked in Sudan and were not previously employed by PADCO. HAC's involvement on such issues could hinder USAID partner activities despite GOS assurances of cooperation. END COMMENT.

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